



September 2, 2005

**STATEMENT OF PHILIP GRILL  
CHAIRMAN OF THE MARITIME CABOTAGE TASK FORCE  
REGARDING THE PRESIDENT'S DECISION TO TEMPORARILY WAIVE  
CERTAIN ELEMENTS OF THE JONES ACT**

"The domestic maritime industry supports President Bush's effort to respond quickly and effectively to this terrible tragedy and is prepared to assist in any way it can. America's domestic fleet, which numbers tens of thousands of vessels manned by U.S. citizen mariners, is by far the largest and most diverse in the world, and vessels are immediately available to assist with the rescue, relief, and reconstruction efforts.

President Bush yesterday announced a temporary waiver of the long-standing requirement that American vessels with American crews be used to transport certain petroleum products domestically. The President said that such a waiver, which would be limited in scope and time, was necessary because of downed pipelines in the Gulf region. The industry normally opposes coastwise waivers because of the robust capacity of the domestic fleet. In this case, though, we respect the President's decision in light of the unusual and temporary circumstance caused by the downed pipelines and the dimensions of human tragedy. Those pipelines are already coming back on line, and the industry is confident that it will have ample capacity to carry all future domestic cargos, petroleum or otherwise."

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The Jones Act requires that all cargo and passengers moving between points in the United States be transported on American vessels.

The Maritime Cabotage Task Force was founded in 1995 to promote the U.S.-flag fleet engaged in domestic waterborne commerce. With more than 400 members, MCTF is the largest coalition ever assembled to represent the domestic segment of the U.S. merchant marine. Nationwide, there are more than 39,000 vessels engaged in Jones Act commerce and they annually move more than 1 billion tons of cargo and 100 million passengers. The Jones Act fleet generates nearly 125,000 jobs, 80,000 of which are aboard vessels and represents a \$26 billion private sector investment in vessels and infrastructure. The Act has been broadly supported by every Congress and Administration since its passage in 1920 and is considered a key element in the nation's national defense capabilities.

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For more information, contact:

Glen Nekvasil, Director of Media Relations (1-888-400-9429 / Cell: 216-702-6360)

Or Philip Grill, Chairman (Cell: 202-247-7551)